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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY China

REPORT

SUBJECT Comments on Shanghai Port Activity and
Naval Construction Program/Propoganda

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1. [] saw Soviet navy petty officers in Shanghai. [] not familiar enough with their ranks or branch insignia to be able to identify them by specialty. Occasionally [] saw ships, including three or four tankers, flying the Soviet Merchant flag at the old Caltex installation in Shanghai and [] the ships ran from Vladivostok to Shanghai on a fairly regular basis. The sailors were polite, well behaved and disciplined. A Polish ship burned in the river two years ago and no effort seems to have been made to scrap or salvage her. The SS REPUBLICA is also distressed in Shanghai awaiting some new machinery which must come from Poland. The crew of the REPUBLICA was around town for almost a year before they were returned to Poland by rail. In general, the majority of ships calling at Shanghai these days are flying Polish Merchant flags.

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Almost all of the small ships in Shanghai seem to have been modified for naval use. The tugs are armed, the fishing boats which were brought to China by UNRRA are armed and recently have had their bows raised so that they can withstand heavier seas, and there are also numerous LCVF's, LCU's and LST's, all of which are in excellent condition.

[] the Chinese naval construction program is wholly directed toward the building of submarines to the exclusion of all other types of vessels.

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Within the last year the Communists captured much landing equipment from the Nationalists and they very cleverly turned their military victory into a strong propaganda item by running photographs of the landing craft in all the newspapers under the caption "The US Supplies Us Again!!"

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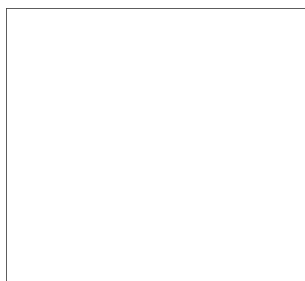


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The Chinese authorities have put much emphasis on graphic arts in propaganda. If a worker shows any aptitude as a cartoonist he is given further instruction at night classes and supplied with all the materials required. In some cases, people with absolutely no creative talent are selected as cartoonists and, instead of teaching them to draw, they are furnished with glass-top tables which are illuminated from below and given published cartoons which they trace and color. It seems that every industry has a full-time cartoonist originating or copying posters which carry visual messages for the workers.

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